



**STATE PROCUREMENT OFFICE
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D**

TO: Chief Procurement Officer

FROM: County of Maui, Department of Water Supply
Name of Requesting Department

Pursuant to HRS § 103D-102(b)(4) and HAR chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods, services or construction:
Participating in the construction of a 1.5 million gallon water tank. The County of Maui, Department of Water Supply is participating to increase the size of the water tank to be constructed from 1.0 million gallons to 1.5 million gallons.

2. Vendor/Contractor/Service Provider:	Maui Lani Development	3. Amount of Request:	\$ 1,100,000
4. Term of Contract From: Approximate Completion	To: Dec-20	5. Prior SPO-007, Procurement Exemption (PE): None	

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:
It is estimated that the cost to construct a 1.5 million gallon tank will be \$2,905,000 and the cost to construct a separate 0.5 million gallon tank will be \$2,000,000. Since the County of Maui, Department of Water Supply's share of the 1.5 million gallon tank cost is one-third, the estimated cost to the Department would be \$970,000, which does not include design design cost. By participating on the construction of a 1.5 million gallon tank, rather than two separate tanks, the Department would save approximately \$1,030,000. Constructing a larger tank will also more efficiently utilize the available land area.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:
Maui Lani Development was required to construct a 1.0 million gallon water tank at the County of Maui's water tank site off of Waiinu Road in Wailuku. The Department of Water Supply has an agreement to participate with Maui Lani Development in the increase of the size of the tank by 0.5 million gallons to 1.5 million gallons. Participating in this project with Maui Lani Development is beneficial to the County of Maui because the additional storage is needed to serve the community. In addition, since Maui Lani Development will already be constructing a water tank, participating in the construction to build a larger tank will have an economical advantage to the County. In addition, Maui Lani received bids from three general contractors in 2016. The contractor that had the lowest base bid shall be selected for this project.

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).

*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	e-mail address
Jeffrey T. Pearson, Director	County of Maui, Dept. of Water Supply	808-270-7834	jeff.pearson@co.maui.hi.us

All requirements/approvals and internal controls for this expenditure is the responsibility of the department. I certify that the information provided above is, to the best of my knowledge, true and correct.



Department Head Signature

AUG 30 2019
Date

For Chief Procurement Officer Use Only

Date Notice Posted: 9/5/19

Inquiries about this request shall be directed to the contact named in No. 8. Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

9/4/19
Date